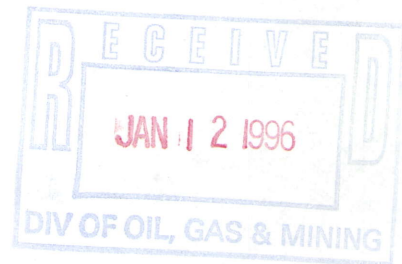


W
P O. Box 421
Eureka, Utah 84628
(801) 433-6804
FAX (801) 433-6803



North Lily Mining Company



January 10, 1996

State of Utah
Department of Natural Resources
Division of Oil, Gas, and Mining
355 West North Temple
Salt Lake City, Utah 84180-1203

RE: Annual Report for the Year 1995

Dear Mr. Headburg:

Enclosed is North Lily's annual report on mining operations and is to comply with Rules R647-003-166 and R647-004-121 of the Division's Amended and New Rules, Minerals Reclamation Program.

Sincerely,

Paul C. Spor
General Manager

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